DELEGATED APPROVAL FORM
DIRECTOR, REAL ESTATE SERVICES
MANAGER, REAL ESTATE SERVICES

TRACKING NO.: 2026-262

Approved pursuant to the Delegated Authority contained in Article 2 of City of Toronto Municipal Code Chapter 213, Real Property

Prepared By:	Lianne Chen	Division:	Corporate Real Estate Management
Date Prepared:	Sep 1, 2026	Phone No.:	416-392-7665

Purpose

To obtain authority to enter into a lease agreement (the "**Lease Agreement**") with 2661310 Ontario Inc. (the "**Tenant**") with respect to the property municipally known as 705 Progress Avenue, Unit 108, Toronto, for the purposes of operating a wholesale beauty supply showroom, including in-person sales, delivery, administrative office use, and storage.

Property

Part of the property municipally known as 705 Progress Avenue, Toronto, as shown on the location map and premises sketches attached in Appendix "**B**" (the "**Property**"), comprising of approximately 2,937 square feet and known as Unit 108 (the "**Premises**").

Actions

1. Authority be granted to enter into the Lease Agreement with the Tenant for a term of three (3) years, substantially on the major terms and conditions set out in Appendix "**A**", and including such other terms as deemed appropriate by the approving authority herein, and in a form satisfactory to the City Solicitor.

Financial Impact

705 Progress Avenue is a facility jointly owned by the City of Toronto (the "**City**") and the Toronto District School Board (collectively, the "**Landlord**"). Net revenues collected are divided equally between the parties. The City's portion of total revenues is $54,212.13 (plus HST), based on the total minimum rent of $108,424.25 (plus HST), for the period of thirty-six (36) months commencing on September 1, 2026, and ending August 31, 2029, as per the below table. The City's net revenue will be transferred to the dedicated parkland reserve fund (5% and 2% Land Acquisition Reserve Fund Scarborough - XR2007) less the management fee to be directed to the Operating Budget for Corporate Real Estate Management ("**CREM**"), under cost center FA1378.

2026: $6,118.74 (plus HST)
2027: $37,202.00 (plus HST)
2028: $38,670.50 (plus HST)
2029: $26,433.00 (plus HST)
Total: $108,424.24 (plus HST)

The Tenant is responsible for the proportionate share of realty taxes, building insurance and maintenance, as well as all other operating costs of the building, including water, gas, hydro, heating and air conditioning.

The Chief Financial Officer and Treasurer has reviewed this Delegated Approval Form ("**DAF**") and agrees with the financial impact section.

Comments

705 Progress Avenue is an industrial mall type property consisting of approximately 156,000 square feet acquired in August 1996 by the former City of Scarborough in partnership with the former Scarborough Board of Education (the "**Board**"). Pending development of the property as a future park and a school facility, it was decided to continue leasing the units to multiple tenants. The former City of Scarborough and the Board entered into an Operating Agreement dated January 2, 1997, which provided that the City, in consultation with the Board, would engage a property manager (currently Compass Commercial Realty LP) and enter into a management agreement, whereby the City and the property manager would be responsible for the day-to-day operations of the Property.

The proposed minimum rent and other major terms and conditions of the Lease Agreement are considered to be fair, reasonable and reflective of market rates.

Terms

See Appendix "**A**".

Property Details

Ward:	24-Scarborough Guildwood
Assessment Roll No.:	Part of 1901-05-2-810-04300
Approximate Size:	N/A
Approximate Area:	2,937 sq. ft.
Other Information:	N/A

A.	Manager, Real Estate Services has approval authority for:	Director, Real Estate Services has approval authority for:
1. Acquisitions:	☐ Where total compensation does not exceed $50,000.	☐ Where total compensation does not exceed $1 Million.
2A. Expropriations Where City is Expropriating Authority:	☐ Statutory offers, agreements and settlements where total compensation does not cumulatively exceed $50,000.	☐ Statutory offers, agreements and settlements where total compensation does not cumulatively exceed $1 Million.
2B. Expropriations For Transit-Related Purposes Where City is Property Owner or Has Interest in Property Being Expropriated:	☐ **(a)** Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed $50,000. ☐ **(b)** Request Hearings of Necessity. ☐ **(c)** Waive Hearings of Necessity.	☐ **(a)** Acceptance of statutory offers, agreements and settlements where total compensation does not cumulatively exceed $1 Million. ☐ **(b)** Request Hearings of Necessity. ☐ **(c)** Waive Hearings of Necessity.
3. Issuance of RFPs/REOIs:	**Delegated to more senior positions.**	☐ Issuance of RFPs/REOIs.
4. Permanent Highway Closures:	**Delegated to more senior positions.**	☐ Initiate process & authorize GM, Transportation Services to give notice of proposed by-law.
5. Transfer of Operational Management to Divisions, Agencies and Corporations:	**Delegated to more senior positions**.	**Delegated to more senior positions**.
6. Limiting Distance Agreements:	☐ Where total compensation does not exceed $50,000.	☐ Where total compensation does not exceed $1 Million.
7. Disposals (including Leases of 21 years or more):	☐ Where total compensation does not exceed $50,000.	☐ Where total compensation does not exceed $1 Million.
8. Exchange of land in Green Space System & Parks & Open Space Areas of Official Plan:	**Delegated to more senior positions**.	☐ Exchange of land in Green Space System and Parks and Open Space Areas of Official Plan.
9. Leases/Licences (City as Landlord/Licensor):	☐ **(a)** Where total compensation (including options/ renewals) does not exceed $50,000. ☐ **(b)** Where compensation is less than market value, for periods not exceeding three (3) months, including licences for environmental assessments and/or testing, etc. **Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.**	☒ **(a)** Where total compensation (including options/ renewals) does not exceed $1 Million. ☐ **(b)** Where compensation is less than market value, for periods not exceeding six (6) months, including licences for environmental assessments and/or testing, etc. **Leases pursuant to the Community Space Tenancy Policy delegated to a more senior position.**
10. Leases/Licences (City as Tenant/Licensee):	☐ Where total compensation (including options/ renewals) does not exceed $50,000.	☐ Where total compensation (including options/ renewals) does not exceed $1 Million.
11. Easements (City as Grantor):	☐ Where total compensation does not exceed $50,000. **Delegated to more senior positions.**	☐ **(a)** Where total compensation does not exceed $1 Million. ☐ **(b)** When closing roads, easements to pre-existing utilities for nominal consideration.
12. Easements (City as Grantee):	☐ Where total compensation does not exceed $50,000.	☐ Where total compensation does not exceed $1 Million.
13. Revisions to Council Decisions in Real Estate Matters:	**Delegated to more senior positions.**	☐ Amendment must not be materially inconsistent with original decision (and subject to General Condition (U)).
14. Miscellaneous:	**Delegated to more senior positions.**	☐ **(a)** Approvals, Consents, Notices and Assignments under all Leases/Licences ☐ **(b)** Releases/Discharges ☐ **(c)** Surrenders/Abandonments ☐ **(d)** Enforcements/Terminations ☐ **(e)** Consents/Non-Disturbance Agreements/ Acknowledgements/Estoppel Certificates ☐ **(f)** Objections/Waivers/Cautions ☐ **(g)** Notices of Lease and Sublease ☐ **(h)** Consent to regulatory applications by City, as owner ☐ **(i)** Consent to assignment of Agreement of Purchase/Sale; Direction re Title ☐ **(j)** Documentation relating to Land Titles applications ☐ **(k)** Correcting/Quit Claim Transfer/Deeds

B. Director, Real Estate Services and Manager, Real Estate Services each has signing authority on behalf of the City for:
• Documents required to implement matters for which each position also has delegated approval authority. • Expropriation Applications and Notices following Council approval of expropriation (Managers whose position includes responsibility for implementing Council-approved expropriations are the only Managers with such signing authority).
Director, Real Estate Services also has signing authority on behalf of the City for:
• Agreements of Purchase and Sale and all implementing documentation for purchases, sales and land exchanges not delegated to staff for approval. • Community Space Tenancy Leases approved by delegated authority by the Deputy City Manager, Corporate Services and any related documents.

Pre-Condition to Approval			
[X] Complies with General Conditions in Appendix B of City of Toronto Municipal Code Chapter 213, Real Property			
Consultation with Councillor(s)			
Councillor:	Paul Ainslie	Councillor:	
Contact Name:	Bushra Alam	Contact Name:	
Contacted by:	[ ] Phone [X] E-Mail [ ] Memo [ ] Other	Contacted by:	[ ] Phone [ ] E-mail [ ] Memo [ ] Other
Comments:	No Objections	Comments:	
Consultation with Divisions and/or Agencies			
Division:	CreateTo/ Parks & Recreation	Division:	**Financial Planning**
Contact Name:	Kevin D'Souza/Kirsten Stein	Contact Name:	Karen Liu
Comments:	No objections	Comments:	No concerns
Legal Services Division Contact			
Contact Name:	Douglas LaForce		

DAF Tracking No.: 2026-262	**Date**	**Signature**
Concurrent with by:		X
[X] **Recommended by: Manager, Real Estate Services Eric Allen** [ ] **Approved by:**	2026-SEP-04	Signed By Eric Allen
[X] **Approved by: Director, Real Estate Services Alison Folosea**	2026-Sept-11	Signed By Alison Folosea

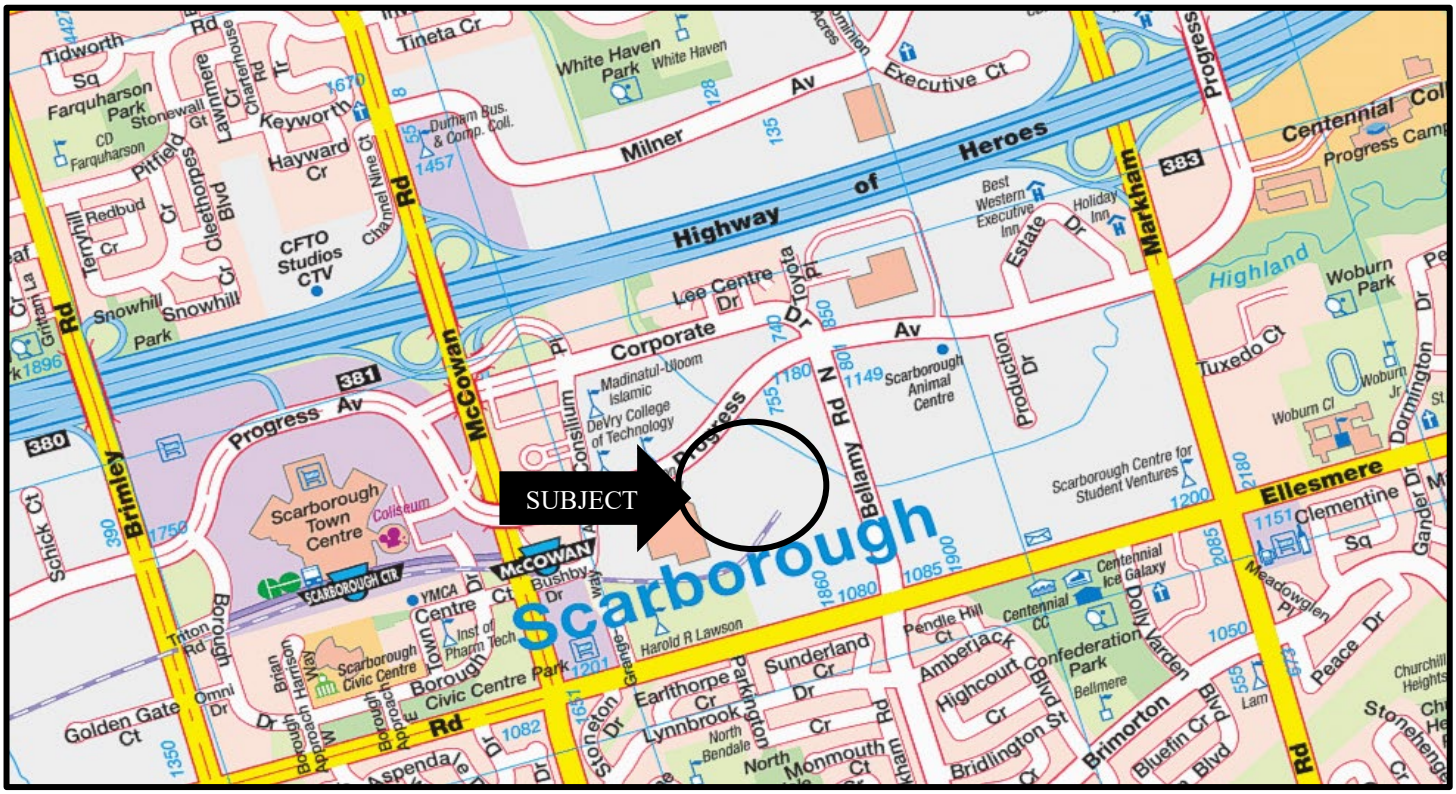
Appendix "A"

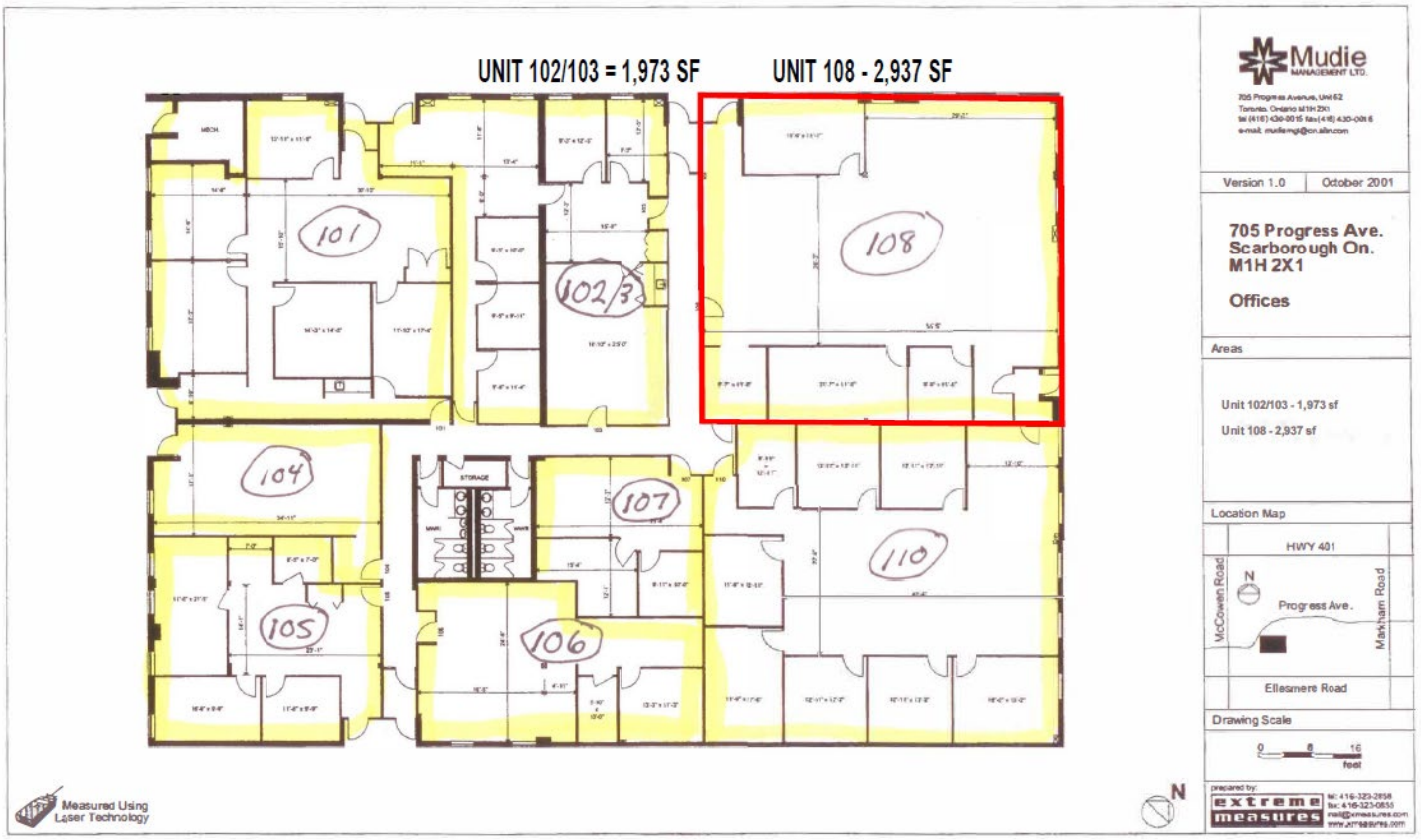
Major Terms and Conditions

Minimum Rent:	Months 1-2	$0.00 (Fixturing Period)
	Months 3-12	$30,593.75 net of HST ($12.50/ft^2)
	Months 13-24	$38,181.00 net of HST ($13.00/ft^2)
	Months 25-36	$39,649.50 net of HST ($13.50/ft^2)
Additional Rent:	Estimated at $6,236.23, plus any applicable taxes based on the 2026 operating cost budget rate of $6.37/ ft^2.	
Area of Premises:	Approximately 2,937 ft^2.	
Term:	Three (3) years (September 1, 2026 – August 31, 2029).	
Use:	The wholesale and storage of hair salon supplies.	
Prepaid Rent:	First Month's Rent = $5,218.83 (($12.50+6.37) x 2,937 SF/12 + HST) Last Month's Rent = $5,495.40 (($13.50+6.37) x 2,937 SF/12 + HST)	
Security Deposit:	$5,495.40 (($13.50+6.37) x 2,937 SF/12 +HST)	
Option to Extend:	None.	
Tenant's Early Termination:	None.	
Landlord's Early Termination:	Upon three (3) months' written notice.	
Parking:	No reserved or designated parking spaces provided to Tenant.	
Tenant Acknowledgement:	The Tenant acknowledges that portions of the Lands and Building are being used to provide shelter services. The Tenant releases the Landlord from all liability, costs, damages, claims or demands claimed to be caused by such shelter services, including interference with business operation and quiet enjoyment.	
Indemnifier:	I. Style Professional Inc.	

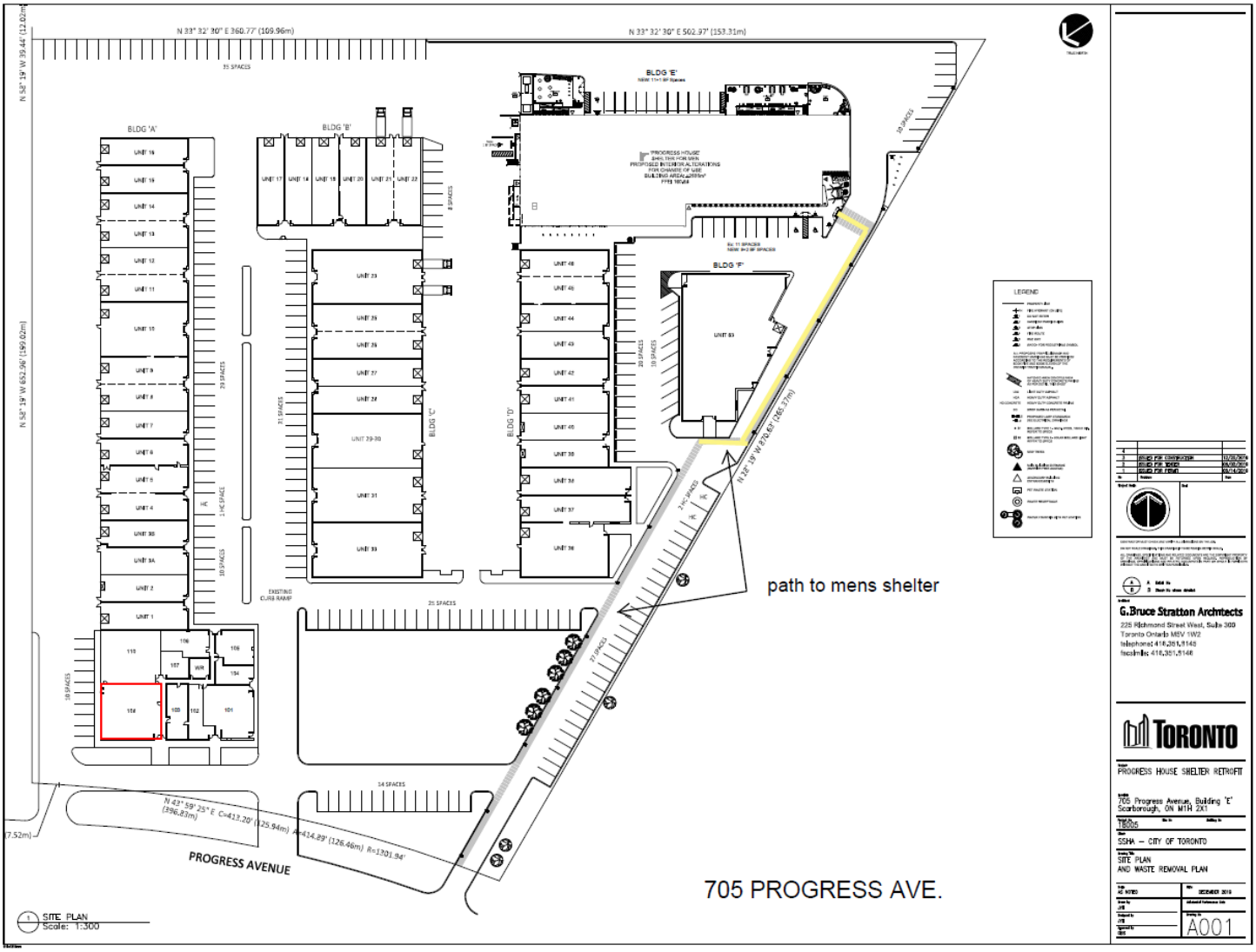
Appendix "B"

Location Map & Floor Plan





#1565574


N 33° 32' 30" E 360.77' (109.96m)
N 33° 32' 30" E 502.97' (153.31m)
N 56° 15' W 99.44' (12.92m)
N 56° 15' W 652.96' (199.02m)
BLDG 'A'
BLDG 'B'
BLDG 'C'
BLDG 'D'
BLDG 'E'
BLDG 'F'
PROGRESS HOUSE
EMERGENCY SHELTER FOR MEN
PROPOSED INTERIOR ALTERATIONS
FOR CHANGE OF USE
BUILDING AREA: 2,287m²
FIRE SEWER
UNIT 83
path to mens shelter
N 18° 19' W 870.63' (265.37m)
PROGRESS AVENUE
N 43° 59' 25" E C=413.20' (125.94m) A=414.89' (126.46m) R=1301.94'
(396.83m)
(7.52m)
705 PROGRESS AVE.
SITE PLAN
Scale: 1:300
LEGEND
G.Bruce Stratton Architects
225 Richmond Street West, Suite 300
Toronto Ontario M5V 1W2
telephone 416.261.5146
facsimile 416.351.5146
TORONTO
PROGRESS HOUSE SHELTER RETROFIT
705 Progress Avenue, Building 'E'
Scarborough, ON M1H 2X1
18005
SSHA – CITY OF TORONTO
SITE PLAN
AND WASTE REMOVAL PLAN
DECEMBER 2018
A001

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